



State of New Jersey

DEPARTMENT OF EDUCATION

PO Box 500

TRENTON, NJ 08625-0500

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Governor

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DAVID C. HESPE
Acting Commissioner

July 15, 2014

Dr. Shannon Whalen, Superintendent
Gateway Regional Public Schools
775 Tanyard Road
Woodbury Heights, NJ 08096

Dear Dr. Whalen:

The New Jersey Department of Education has completed a review of funds received and disbursed from one or more federal programs by the **Gateway Regional Board of Education**. The funding sources reviewed include titled programs for the Elementary and Secondary Education Act (ESEA) and the Individuals with Disabilities Education Act (IDEA). The review covered the period July 1, 2013 through April 25, 2014. The resulting report is enclosed. Please provide a copy of the report to each board member. All issued Consolidated Monitoring Reports will be posted on the department's website at <http://www.state.nj.us/education/finance/jobs/monitor/consolidated>.

Utilizing the process outlined in the attached "Procedures for LEA/Agency Response, Corrective Action Plan and Appeal Process," the Gateway Regional Board of Education is required, pursuant to N.J.A.C. 6A:23A-5.6, to publicly review and discuss the findings in this report at a public board meeting no later than 30 days after receipt of the report. Within 30 days of the public meeting, the board must adopt a resolution certifying that the findings were discussed in a public meeting and approving a corrective action plan which addresses the issues raised in the undisputed findings and/or an appeal of any **monetary** findings in dispute (emphasis added). A copy of the resolution and the approved corrective action plan and/or appeal must be sent to this office within 10 days of adoption by the board. Direct your response to my attention.

Also, pursuant to N.J.A.C. 6A:23A-5.6(c), you must post the findings of the report and the board's corrective action plan on your district's website.

By copy of this report, your auditor is requested to comment on all areas of noncompliance and recommendations in the next certified audit submitted to the New Jersey Department of Education. If you have any questions, please contact Joseph Kirchon at (856) 486-2160.

Sincerely,

Robert J. Cicchino, Director
Office of Fiscal Accountability and Compliance

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Enclosures

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New Jersey K-12 Education

CONSOLIDATED MONITORING REPORT
JULY 2014

District: Gateway Regional School District
County: Gloucester
Dates On-Site: April 30 and May 1, 2014
Case #: CM-025-13

FUNDING SOURCES

Program	Funding Award
Title I, Part A	\$ 135,152
IDEA Basic	229,002
Title II, Part A	16,916
Title III	1,287
Race to the Top	9,523
Total Funds	<hr/> <hr/> \$ 391,880

**GATEWAY REGIONAL SCHOOL DISTRICT
CONSOLIDATED MONITORING REPORT
JULY 2014**

BACKGROUND

The Elementary & Secondary Education Act (ESEA) and the Individuals with Disabilities Act (IDEA) and other federal laws require local education agencies (LEAs) to provide programs and services to their districts based on the requirements specified in each of the authorizing statutes (ESEA, IDEA, and Race to the Top). The laws further require that state education agencies such as the New Jersey Department of Education (NJDOE) monitor the implementation of federal programs by sub recipients and determine whether the funds are being used by the district for their intended purpose and achieving the overall objectives of the funding initiatives.

INTRODUCTION

The NJDOE visited the Gateway Regional School District to monitor the district's use of federal funds and the related program plans, where applicable, to determine whether the district's programs are meeting the intended purposes and objectives, as specified in the current year applications and authorizing statutes, and to determine whether the funds were spent in accordance with the program requirements, federal and state laws, and applicable regulations. The on-site visit included staff interviews and documentation reviews related to the requirements of the following programs: Title I, Part A (Title I); Title IIA (Title II); Title III; IDEA; and Race to the Top for the period July 1, 2013 through April 25, 2014.

The scope of work performed included the review of documentation including grant applications, program plans and needs assessments, grant awards, annual audits, board minutes, payroll records, accounting records, purchase orders, and an interview of the program administrator regarding the IDEA grant, as well as current district policies and procedures. The monitoring team members also conducted interviews with district personnel, reviewed the supporting documentation for a sample of expenditures and conducted internal control reviews.

EXPENDITURES REVIEWED

The grants that were reviewed included Title I, Title II, Title III, IDEA Basic, and Race to the Top from July 1, 2013 through April 25, 2014. A sampling of purchase orders and/or salaries was taken from each program reviewed.

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**GENERAL DISTRICT OVERVIEW OF USES OF TITLE I, TITLE II, TITLE III, IDEA
AND RACE TO THE TOP**

Title I Projects

The district used its FY 2013-2014 Title I funds to implement a targeted assistance program in Gateway Regional High School. Primarily, the district provided tutoring services through in-class support, pullout programs, after-school, and extended year programs. Prior year funds were spent on similar programs.

Title II Projects

The district used Title II funds on professional development.

Title III Projects

The district participates in a consortium for Title III funding. The district has approximately five English Language Learners (ELL) in an English as a Second Language (ESL) program. Title III funds were used for supplies.

IDEA Projects

The FY 2014 IDEA Basic funds were used to reduce district tuition expenditures for students receiving special educational services in private schools for students with disabilities. In addition, funds have been used to purchase computers for the self-contained Behavior Disabilities program. The nonpublic proportionate share funds were used to provide a classroom assistant for students attending St. Margaret's School.

Race to the Top Projects

The district used Race to the Top funds for the implementation and support of teacher and leader evaluation systems (EVAL).

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DETAILED FINDINGS AND RECOMMENDATIONS

Title I

Finding 1:

Condition: The FY 2013-2014 Title I eligibility participation materials addressed the multiple measures used to identify the Title I eligible students, but did not include exit criteria. Without this information, parents are unable to understand the performance levels needed for their child to exit the program.

Citation: ESEA §1115: *Targeted Assistance Schools*; ESEA §1118(c): *Parental Involvement (Policy Involvement)*.

Required Actions: In its Title I participation letter, the district must include the clearly defined multiple measures used for entrance into the program, as well as the exit criteria used to evaluate a student's success. The district must provide a copy of its revised FY 2014-2015 Title I participation letter to the NJDOE for review.

Finding 2:

Condition: There was no evidence the district's parental involvement policy was reviewed and board adopted for the 2013-2014 school year. The annual review and board adoption of the district Title I parental involvement policy provides families with the knowledge of the mechanisms the district has available for families to participate in their children's educational program.

Citation: ESEA §1118(a)(2): *Parental Involvement (Written Policy)*.

Required Action: The district must submit a copy of the board approved 2013-2014 parental involvement policy to the NJDOE for review.

Finding 3:

Condition: The district's parents' web page did not contain updated required annual notifications for parental involvement.

Citation: ESEA §1111(h)(2)(E): *Public Dissemination*.

Required Action: The district must review and update its parental involvement web page containing required annual notifications and documents to meet the broader ESEA dissemination requirement. The district must submit the link for the updated web page to the NJDOE for review.

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Finding 4:

Condition: Two teachers paid for with Title I funds did not meet the requirements for classification as a highly qualified teacher (HQT) for the grade levels assigned to them. Both teachers possessed elementary level certificates, but were assigned to teach grades 9-12.

Citation: ESEA §1119: *Qualifications for Teachers and Paraprofessionals.*

Required Action: For the 2013-2014 school year, the district must ensure these teachers are assigned to instructional positions for which they meet the HQT designation. Additionally, for the 2013-2014 school year, the district must issue the Parents' Right to Know letters to the parents of all students in grades 9-12 assigned to these teachers. The district must also issue the Parents' Right to Know follow-up letter to the parents of any child that will be taught for four consecutive weeks or more by a teacher that does not meet the HQT designation. The district must submit documentation to the NJDOE that verifies the Parents' Right to Know follow up letter was issued to parents.

Finding 5:

Condition: The district's use of Title I funds for an after-school program to benefit both Title I and non-Title I students supplanted state and local funds. The participation of all students in this program did not provide Title I students with instructional support above and beyond that which non-Title I students were receiving.

Citation: ESEA §1120A(b): *Fiscal Requirements (Federal Funds to Supplement, Not Supplant, Non-Federal Funds).*

Required Action: The district must reverse these charges and allocate state/local funds, rather than using Title I funds to support these expenditures. The district must provide evidence of the adjusting accounting entry to the NJDOE for review.

Title II

Finding 6:

Condition: The district's use of Title II funds for activities that the district would otherwise carry out in the absence of these funds supplants state/local funds. Specifically, the district expended Title II funds for data consulting training which is part of the district plan for curriculum implementation and review.

Citation: ESEA §2123(5)(10)(b) Local Use of Funds: Supplement, Not Supplant: Funds received under this subpart shall be used to supplement, and not supplant, non-Federal funds that would otherwise be used for activities authorized under this subpart.

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Required Action: The district must cost-allocate out all expenditures that are required and necessary to operate as a school and resubmit the adjusted purchase orders reflecting only supplemental charges to the Title II-A program. These expenditures were reflected on the following purchase orders:

- P.O. # 777-14 TESO \$4,200
- P.O. # 827-14 TESO \$1,200

This will, most likely, require a modification to the ESEA-NCLB application in the Electronic Web-Enabled Grant (EWEG) System.

Finding 7:

Condition: A Teacher of English assigned to teach Reading in a departmentalized grade 9-12 setting was not licensed or highly qualified for the assignment. Specifically, a teacher holding the Teacher of English certificate was assigned to teach Reading in grades 7 and 8. The teacher is not authorized or highly qualified to teach Reading at this grade level under her English certification. *N.J.A.C. 6A:9-9.1(a)2 Authorizations* allow those holding the Teacher of English endorsement, who taught Reading prior to February 1976 to continue in the same assignment. This teacher does not meet the exception.

Citation: N.J.A.C. 6A:9-9.1(a)2 Authorizations – general; ESEA §1119 *Qualifications for Teachers and Paraprofessionals*; ESEA §1111(h)(6)(B)(ii) *Right to Know letter*.

Required Action: The district must assign an appropriately licensed, HQT to this class. Additionally, the district must issue the Parents Right to Know letter to parents of students being taught by teachers that are not highly qualified.

Title III

Finding 8:

Condition: The district had a parental notification letter for students identified as ELLs but the letter did not specify all the Title III requirements. The missing elements that need to be included in the parental notification letter are as follows:

- Why the student was identified;
- Students' level of English proficiency;
- How such level was assessed;
- How the program will meet the needs of the child in attaining English and meeting state standards;
- Program exit requirements;
- Expected rate of transition out of the program; and
- How the program will meet the objectives of an individualized education program of a child with a disability.

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This exclusion of these elements in the parental notification letter did not provide parents with a comprehensive description of the program their children are entering.

Citation: ESEA §3302 *Parental Notification*.

Required Action: The district must revise its Title III parental notification letter to include all the specific Title III requirements. This information is located at: <http://www.state.nj.us/education/bilingual/title3/accountability/notification/title3par.htm>. The district must submit a copy of the revised letter to the NJDOE for review.

IDEA Special Education

Finding 9:

Condition: The district did not have in place a special education parent advisory group to provide input to the district on issues concerning students with disabilities.

Citation: N.J.A.C. 6A:14-1.2 (h).

Required Action: The district must ensure a special education parent advisory group is available in the district. In order to demonstrate correction of noncompliance, the district must organize and establish a parent advisory group. A monitor from NJDOE will conduct an on-site visit to interview staff and review the list of members of the special education parent advisory group and any agendas for meetings held subsequent to the monitoring visit.

Finding 10:

Condition: The district did not document all required considerations and statements in each IEP. IEPs for students eligible for special education and related services did not include:

- measurable annual goals and objectives (including criteria for mastery);
- statement of how progress towards annual goals will be measured;
- age 14 post-school transition components; and
- documentation of the consideration of the need for extended school year services.

IEPs for students eligible for speech-language services did not include:

- relevant factors considered in determining the need for extended school year.

Citation: N.J.A.C. 6A:14-3.7(c)1-11, (e) 1-17, and (f), 4.10(a); 20 U.S.C. §1414(d)(3)(A)(B); and 34 CFR §300.324(a)(1)(2).

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Required Action: The district must ensure each IEP contains the required considerations and statements. In order to demonstrate correction of noncompliance, the district must conduct training for child study team members and speech-language specialists and develop an oversight mechanism to ensure compliance with the requirements in the citations listed above. In addition, to demonstrate correction of individual instances of noncompliance, the district must conduct annual review meetings and revise IEPs for the specific students whose IEPs were identified as noncompliant. A monitor from the NJDOE will conduct an on-site visit to interview staff, review the revised IEPs and a random sample of additional IEPs developed at meetings conducted between January 2015 and March 2015, and to review the oversight procedures. The names of the students whose IEPs were identified as noncompliant will be provided to the district by the monitor. For assistance with correction of noncompliance, the district is referred to the state IEP sample form which is located at: www.statenj.us/education/specialed/forms.

Finding 11:

Condition: The district did not consistently document in the IEPs of students removed from the general education setting for more than 20 percent of the school day, including students placed in separate settings, consideration of placement in the least restrictive environment. Specifically, IEPs did not consistently include:

- the supplementary aids and services considered, and/or an explanation of why they were rejected;
- a comparison of the benefits provided in the regular class and the benefits provided in the special education class;
- the potentially beneficial or harmful effects which a placement (general education) may have on the student with disabilities or the other students in the class; and
- for those students placed in separate settings, activities to transition the student to a less restrictive environment.

Citation: N.J.A.C. 6A:14-4.2 (a)8(i),(ii) and (iii), 4.2(a)4.

Required Action: The district must ensure when determining the educational placement of a child with a disability, the IEP team considers the general education class first and all required decisions regarding placement are documented in the IEP for each student removed from general education for more than 20 percent of the school day. The district must also ensure for students placed in separate settings, the IEP team identified activities to transition the student to a less restrictive environment and document them in each IEP. In order to demonstrate correction of noncompliance, the district must conduct training for child study team members and develop an oversight mechanism to ensure compliance with the requirements in the citations listed above. To demonstrate that the district has corrected the individual instances of noncompliance, the district must conduct annual review meetings and revise the IEPs for the specific students that were identified as noncompliant. A monitor from the NJDOE will conduct an on-site visit to interview

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staff, review the revised IEP along with a random sample of additional IEPs developed at meetings conducted between January 2015 and March 2015, and to review the oversight procedures. The names of the students whose IEPs were identified as noncompliant will be provided to the district by the monitor.

Finding 12:

Condition: The district did not provide to students eligible for special education and related services written notice of graduation within required timelines.

Citation: N.J.A.C. 6A:14-4.11(b).

Required Action: The district must ensure that parents or adult students are provided with written notice prior to graduation. In order to demonstrate correction of noncompliance, the district must conduct training for child study team members and develop an oversight mechanism to ensure compliance with the requirements in the citation listed above. A monitor from the NJDOE will conduct an on-site visit to interview staff, review written notice of graduation for students with disabilities who will graduate at the conclusion of the current school year, and to review the oversight procedures.

Finding 13:

Condition: The district did not consistently complete all required components of the evaluation process for students referred for special education and related services. Specifically, for students referred for special education and related services, evaluations did not include all components of a functional assessment.

Citation: N.J.A.C. 6A:14-2.5(b)6 and 3.6(b), 3.3(e) and 3.4, w.4(f)4(i-vi); 20 U.S.C. §1414(b)(1-3); 1412(a)(6)(b); and 34 CFR §300.304(b)(1).

Required Action: The district must ensure that all components of a functional assessment are conducted for students referred for an initial evaluation. In order to demonstrate correction of noncompliance, the district must conduct training for child study team members and develop an oversight mechanism to ensure compliance with the requirements in the citations listed above. A monitor from the NJDOE will conduct an on-site visit to interview staff, review initial evaluations conducted between January 2015 and March 2015, and to review the oversight procedures.

Race to the Top

A review of the expenditures charged to the Race to the Top grant yielded no findings.

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Administrative

Finding 14:

Condition: The district does not have formal written internal control policies and procedures to prevent contracting with disbarred vendors.

Citation: EDGAR, PART 80-*Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments*, Section 36, Procurement.

Required Action: The district must update its procedures to demonstrate implementation of the internal control policies to prevent errors from potentially occurring.

The NJDOE thanks you for your time and cooperation during the monitoring visit and looks forward to a successful resolution of all findings and implementation of all recommendations contained in this report.

If you have any questions, please contact Joseph Kirchon via phone at (856) 486-2160 or via email at joseph.kirchon@doe.state.nj.us.